

**The report of a committee, appointed to consider whether any and what measures may be necessary for Congress to adopt, in pursuance of their recommendations to the several states on the 18th of April, 1783.**

**The report of a committee, ap** pointed to consider whether any and what Measures may be necessary for Congress to adopt, in pursuance of their **RECOMMENDATIONS** to the several **STATES** on the 18th of April, 1783.

**THE** committee have thought it their duty, upon the subject above referred to them, to present to the view of Congress, a statement of the amount, and the purposes for which money is required, with the funds the United States are possessed of, for complying with the same, this will enable them to judge of the nature and urgency of those demands, of the efficiency of such funds, or of the further measures it may be necessary to take respecting them. By the estimate for the late requisition, it appears, that Dollars. to defray the expences of the civil government of the United States for one year, there will be wanting, 404,555.32 For one year's interest upon the foreign debt, 440,252.52 For one year's interest upon the domestic debt, 1,663,519,16 2,508.327. 6

It appears further to the committee, that there will be due in the course of the next year, a part of the principal of two of the foreign loans, and afterwards a part of the other loans, agreeably to the stipulations of the several contracts, to be paid annually by installment, until the whole is extinguished, which will, until that event, proportionally encrease the sums called for. That the whole of the domestic debt is not yet liquidated, and that there still remains extensive claims of states and individuals within the same, against the United States to be adjusted and settled, which will probably encrease the amount

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beyond what it hath heretofore been estimated at. Nor is there any reason to suppose, from the lights in their possession, that the expences of the government of the United States will be diminished. Some offices have already been abolished, and the salaries of those absolutely necessary, reduced to as low a scale as can be done, to leave any encouragement to men of talents and character to remain in their service; others it is true instituted for the settlement of accounts will terminate so soon as that desirable end is effected, but this will create but an inconsiderable saving. The Indian department when organized, may also be less expensive than it hath been since the peace, but there must be some appropriation to it. What sum the military department may require, is altogether uncertain, and depends upon many circumstances. Since the peace, it has been thought proper to keep in service about seven hundred men. Upon that compliment the estimate for the requisition was formed; but it is to be recollected that the Indians were at that time suing for peace; that the powers on the coast of Barbary were friendly disposed; and that we had nothing to apprehend from any quarter whatever: and although the necessary measures have been taken to cultivate this good disposition, and to avail ourselves of the favourable juncture; and the committee have high confidence in the success of these negotiations, yet they consider it as expedient to be prepared for a contrary event: As, therefore, under this impression, it may be found prudent to establish magazines in different quarter of the union, and to keep up at least the aforesaid complement of men, they apprehend the expences in this department will be encreased. As therefore, the sums necessary for payment of the interest, and a part of the principal of the foreign loans, will be encreased, those for the payment of the interest on the domestic debt, probably may, and there can be little or no reduction in the expences of the government of the United States, it follows that the demands upon the states, or supplies for federal purposes, must for some time be greater than they have heretofore been.

It remains now to be enquired, how these demands shall be complied with. The federal constitution authorises the United States to obtain money by three means. 1st. by requisition. 2d. by loan; and 3d. by emitting bills of credit. 1st. Of the success of that by

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requisition, we shall be enabled to form a judgment by a statement of those which have been made, and the compliances of the several statements under them.

October 30th, 1781, a requisition was made for 8,000,000 dollars. October 1782, for 2,000,000 April 18th, 1784, for 2,670,987 September 1785, for 3,000,000 Up to the day of the payments have been as follows. New-Hampshire, Massachusetts, Rhode-Island, Connecticut, New-York, New-Jersey, Pennsylvania, Delaware, Maryland, Virginia, North-Carolina, South Carolina, Georgia,

It is to be observed, that the two former requisitions were made during the existence and for support of the war; and therefore were not, after its termination pressed in full on the states; the two latter, however, being a pressure of the former, in the degree, were made upon the estimate of the expences of the government, and of the public debt, which must remain the same, or nearly so, subject only to the above incidental alterations, until the debt is paid. So disproportionate, then, have the payments been, and inadequate to the above purposes, that even the interest upon the foreign loans, which had become due, would not have been paid, had it not been that a part of the said loans were as yet unappropriated; this money was therefore applied to this purpose; but this resource is now exhausted.

2d. Shall we then make further loans? In objection to this, it will obviously occur, that unless we can pay the interest due upon the money we have already borrowed, we shall not be able to borrow more, or upon such disadvantageous terms as to make it highly inexpedient: Add to this, that having in a great measure recovered from the calamities of the late war, being in possession of a free and extensive commerce, at peace with all nations, and the oeconomy of our own government, thus circumstanced, only to attend to, it would add but little to its credit, to admit that it could not discharge those engagements without the aid of other nations.

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In objection to the third plan, or emission of paper bills of credit, it may only be observed, that such bills would not even serve to pay off the domestic debt, since bearing no interest, they would in effect put the creditors in a worse condition than they are now; much less would they avail to support the current expences of the government of the United States, or discharge the interest due on the foreign debt. The United States, are however, in possession of another fund, arising from the cession of vacant and unappropriated lands by individual states; but this it is apprehended, as public securities are received in payment, will bring but little specie into the treasury. Being depreciated considerably below, and received at par with specie, it is to be presumed the purchasers, whether citizens or foreigners, not possessed of, will procure these securities for the purpose. These lands, therefore, may be calculated on, and in the degree, as a fund only for the discharge of the domestic debt; and as they are not to be disposed of until surveyed, and some time must elapse before this can be effected, it is obvious that no immediate aid, even for this purpose, can be derived from that source.

Since, therefore, experience hath evinced, that requisitions have failed to obtain from the states, money sufficient for the support of their own government only, that it would be impolitic, if not impossible, to borrow more, that the emission of paper bills of credit would be altogether ineffectual, and of course inadmissible; and that the vacant and unappropriated lands, ceded by individual states, can be calculated on only as a fund for the discharge, and in the degree of the interest and principal of the domestic debt, it necessarily follows, that unless some other more efficient and productive fund can be found out, we shall suffer the highest national difficulties. Although we have already experienced, and may calculate much, on the generosity of our ally; although our domestic creditors, and especially those of the army, have evinced a patience and magnanimity under their sufferings, which does them the highest credit; yet it is neither consistent with the honour nor the interest of the United States, that justice should be longer delayed, especially while a single effort in their power remains unattempted. After the maturest deliberation, the committee have been able to devise no other than that recommended

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on the 18th of April, 1783: To this, therefore, they are of opinion, the United States should turn their attention, as the means of relieving them from their present embarrassments. The system, as therein recommended, consists of two parts; the FIRST an investment of the United States in Congress, with power to levy for the use of the United States, certain duties upon goods imported into the said states from any foreign port, island or plantation: The SECOND, such other substantial and effectual proportions of one million five hundred thousand dollars annually, exclusive of the aforementioned duties, as therein more fully delineated.

In examining the conduct of the several states under this recommendation, they find that, except New-York and Georgia, they have all complied, in some degree, with the first part, and that only have with the latter. That the relief, therefore, may be as expeditious as possible, and particularly that the United States may be enabled to comply with their foreign engagements, while the aforesaid recommendations shall remain in full force as to the whole, in confidence they will ultimately be complied with, the committee beg leave to report the following resolution:—

Resolved, That it be earnestly recommended to the states of New-York and Georgia, to take into their immediate consideration the said recommendation of the 18th of April, 1783, more especially that part which proposes an investment of the United States with power to levy, for the use of the said states, certain duties upon goods imported into the said states from any foreign port, island or plantation, and to comply with the same.